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5 Proposed Attorneys for Chapter 11 Debtors and Debtors in Possession

7 **UNITED STATES BANKRUPTCY COURT**
8 **EASTERN DISTRICT OF CALIFORNIA**
9 **(SACRAMENTO DIVISION)**

10 In re:

11 MATTERHORN GROUP, INC.,

12 Debtor.

13 VITAFREEZE FROZEN CONFECTIONS,
14 INC.,

15 Debtor.

16 DELUXE ICE CREAM COMPANY,

17 Debtor.

- 18
- 19 Affects ALL DEBTORS
20 Affects only MATTERHORN GROUP, INC.
21 Affects only VITAFREEZE FROZEN
CONFECTIONS, INC.
22 Affects only DELUXE ICE CREAM COMPANY

[Proposed] Lead Case No. 10-39672 (MSM)
[Proposed] Jointly Administered with Case
Nos. 10-39664 (MSM), and 10-39670 (MSM).¹

DC No. LNB-1

Chapter 11 Cases

**DECLARATION OF TODD M. ARNOLD,
ESQ. IN SUPPORT OF DEBTORS'
EMERGENCY MOTION FOR AN ORDER
(1) AUTHORIZING THE DEBTORS' USE
OF CASH COLLATERAL ON AN INTERIM
BASIS PENDING A FINAL HEARING, (2)
SCHEDULING A FINAL HEARING, (3)
AUTHORIZING THE DEBTORS'
CONTINUED USE OF CERTAIN
PORTIONS OF THE DEBTORS' CASH
MANAGEMENT SYSTEM, AND (4)
AUTHORIZING THE MAINTENANCE OF
THE DEBTORS' EXISTING BANK
ACCOUNTS FOR AN INTERIM PERIOD**

Hearing:

Date: TBD
Time: TBD
Place: Department A
Judge Michael S. McManus
Courtroom No. 28
Floor No. 7
Robert T. Matsui Courthouse
501 I Street
Sacramento, CA 95814

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28 ¹ Motion for Joint Administration pending.

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DECLARATION OF TODD M. ARNOLD, ESQ.

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I, Todd M. Arnold, Esq., hereby declare as follows:

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1. I am over 18 years of age. Except where otherwise stated, I have personal knowledge of the facts set forth below and, if called to testify, I could and would testify competently thereto.

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2. I am duly licensed to practice law in the state of California, in the United States District Courts and Bankruptcy Courts for the Northern, Eastern, Central, and Southern Districts of California, and before the Ninth Circuit.

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3. I am a partner in the law firm of Levene, Neale, Bender, Yoo & Brill L.L.P. ("LNBRB"), proposed counsel to Matterhorn Group, Inc. ("MGI"), Vitafreeze Frozen Confections, Inc. ("Vitafreeze"), and Deluxe Ice Cream Company ("Deluxe"), the debtors and debtors in possession in the above-captioned (proposed) jointly administered Chapter 11 bankruptcy cases (collectively, the "Debtors").

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4. I make this Declaration in support of the Debtors' motion for an order (1) authorizing the use of cash collateral on an interim basis pending a final hearing, (2) scheduling a final hearing, (3) authorizing the Debtors' continued use of certain Portions of the Debtors' cash management system, and (4) authorizing the Debtors' maintenance of the Debtors' existing bank accounts for an interim period (the "Motion"). Unless otherwise stated, all capitalized terms herein have the same meanings as in the Motion and the Memorandum of Points and Authorities filed in support thereof.

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5. In conjunction with the Debtors' cases, I ordered UCC-1 lien reports (the "UCC Reports") from Idaho, the state in which the Debtors are incorporated. A true and correct copy of the UCC Reports was filed as Exhibit "3" concurrently herewith. The UCC Reports indicate that additional other entities (the "Other Secured Parties") may have liens upon certain of the Debtors' assets. Based on my review of the UCC Reports, I believe that the liens of the Other Secured

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1 Parties only relate to particular equipment leased or purchased by the Debtors. Therefore, I do
2 not believe that the liens of the Other Secured Parties extend to the Debtors' Cash Collateral.

3 I declare under penalty of perjury that the foregoing is true and correct.

4 Executed this 26th day of July 2010, at Los Angeles, California.

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6 */s/ Todd M. Arnold*
7 TODD M. ARNOLD
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